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THE CANADIAN BANK OF COMMERCE



ANNUAL REPORT

31st OCTOBER, 1938

THE CANADIAN BANK OF COMMERCE

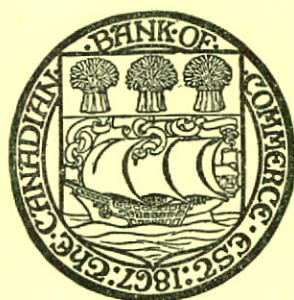
HEAD OFFICE - - TORONTO

CAPITAL PAID UP	-	-	-	\$30,000,000.00
RESERVE FUND	-	-	-	\$20,000,000.00

ANNUAL REPORT

FOR
ELEVEN MONTHS
ENDING

31ST OCTOBER, 1938



THE CANADIAN BANK OF COMMERCE

BOARD OF DIRECTORS

Chairman of the Board

THE RT. HON. SIR THOMAS WHITE, G.C.M.G.

President

S. H. LOGAN, Esq.

Vice-Presidents

MILLER LASH, Esq., K.C.

A. F. WHITE, Esq.

E. R. WOOD, Esq., LL.D.

G. W. ALLAN, Esq., K.C.

H. S. AMBROSE, Esq.

A. E. ARSCOTT, Esq.

J. P. BICKELL, Esq.

CHAS. W. COLBY, Esq., Ph.D., LL.D.

G. R. COTTRELLE, Esq.

F. W. COWAN, Esq.

H. C. COX, Esq.

G. C. EDWARDS, Esq.

G. FARRELL, Esq.

H. J. FULLER, Esq.

COLONEL WALTER GOW, K.C.

W. W. HUTCHISON, Esq.

F. P. JONES, Esq.

A. M. M. KIRKPATRICK, Esq.

H. R. MacMILLAN, Esq.

J. S. McLEAN, Esq.

A. N. MITCHELL, Esq.

GEO. A. MORROW, Esq.

J. C. NEWMAN, Esq.

W. E. PHIN, Esq.

I. PITBLADO, Esq., K.C., LL.D.

HON. DONAT RAYMOND

J. A. RICHARDSON, Esq., LL.D.

W. P. RILEY, Esq.

T. A. RUSSELL, Esq., LL.D.

JOHN STUART, Esq.

A. V. YOUNG, Esq.

THE CANADIAN BANK OF COMMERCE

General Manager

A. E. ARSCOTT

Assistant General Managers

N. L. McLEOD

B. P. ALLEY

S. M. WEDD

JAMES STEWART

Superintendents

HEAD OFFICE J. E. W. STEPHENSON, *Toronto*

FOREIGN BRANCHES H. P. VAN GELDER, *Toronto*

PACIFIC COAST M. D. HAMILTON, *Vancouver*

ALBERTA J. MORETON, *Officer-in-charge,*
Calgary

SASKATCHEWAN H. F. LIGGINS, *Winnipeg*

MANITOBA E. E. HENDERSON, *Winnipeg*

QUEBEC G. G. LAIRD, *Montreal*

MARITIME PROVINCES AND

NEWFOUNDLAND W. V. GORDON, *Halifax*

Chief Inspector

E. HOLMES

Secretary

F. C. BIGGAR

Foreign Department

A. K. HARVIE

C. K. HIGHMOOR

Supervisor

Assistant Supervisor

H. E. TYLOR, *Travelling Representative*

Staff Department

R. K. MCCARTHY, *Supervisor of Staff*

A. K. HOUSTON, *Inspector and Secretary of Pension Fund*

GENERAL STATEMENT

31st OCTOBER, 1938

LIABILITIES

Notes in circulation.....	\$18,093,838	04
Deposits by and Balances due to Dominion Government.....	\$ 4,381,094	05
Deposits by and Balances due to Provincial Governments.....	10,460,429	86
Deposits by the public not bearing interest.....	182,718,777	99
Deposits by the public bearing interest, including interest accrued to date of statement.....	366,766,803	99
Deposits by and Balances due to other chartered Banks in Canada.....	1,513,172	58
Deposits by and Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries.....	12,172,958	09
TOTAL DEPOSITS.....	578,013,236	56
Bills Payable.....	11,844	54
Acceptances and Letters of Credit outstanding.....	17,753,616	62
TOTAL LIABILITIES TO THE PUBLIC.....	\$613,872,535	76
Dividends Declared and Unpaid.....	\$ 9,672	97
Dividend No. 207, payable 1st November.....	600,000	00
Capital Paid up.....	30,000,000	00
Reserve Fund.....	20,000,000	00
Balance of Profits as per Profit and Loss Account.....	751,082	51
TOTAL LIABILITIES TO SHAREHOLDERS.....	51,360,755	48
	<u>\$665,233,291</u>	<u>24</u>

ASSETS

Gold held in Canada.....	\$ 4,637	23
Subsidiary Coin held in Canada.....	847,731	81
Gold held elsewhere.....	514	97
Subsidiary Coin held elsewhere.....	249,222	52
Notes of Bank of Canada.....	9,739,611	25
Deposits with Bank of Canada.....	58,415,986	28
Notes of other chartered Banks.....	980,827	67
Government and bank notes other than Canadian.....	1,056,155	97
Cheques on other Banks.....	\$17,881,738	54
Due by Banks and Banking Correspondents elsewhere than in Canada..	27,882,058	17
Dominion and Provincial Government direct and guaranteed Securities maturing within two years, not exceeding market value.....	80,923,094	53
Other Dominion and Provincial Government direct and guaranteed Securities not exceeding market value....	116,133,058	13
Canadian Municipal Securities, not exceeding market value.....	9,763,617	25
Carried forward.....	\$323,878,254	32

GENERAL STATEMENT

31st OCTOBER, 1938

ASSETS—Continued

Brought forward.....	\$323,878,254 32
Public Securities other than Canadian, not exceeding market value.....	27,771,848 68
Other Bonds, Debentures and Stocks, not exceeding market value.....	25,000,921 65
Call and Short (not exceeding 30 days) Loans in Canada on Stocks, Debentures, Bonds and other Securities of a sufficient marketable value to cover.....	15,481,367 35
Call and Short (not exceeding 30 days) Loans elsewhere than in Canada on Stocks, Debentures, Bonds and other Securities of a sufficient marketable value to cover.....	15,839,534 77
Deposit with the Minister of Finance for the security of the Note Circulation.....	1,067,000 00
TOTAL QUICK ASSETS.....	\$409,038,926 77
Current Loans and Discounts in Canada, not otherwise included, estimated loss provided for.....	163,508,457 78
Current Loans and Discounts elsewhere than in Canada, not otherwise included, estimated loss provided for...	17,913,122 60
Loans to Provincial Governments.....	8,349,006 84
Loans to Cities, Towns, Municipalities and School Districts.....	22,765,831 83
Non-current Loans, estimated loss provided for.....	3,209,266 17
Liabilities of Customers under Acceptances and Letters of Credit, as per contra.....	17,753,616 62
Real Estate other than Bank Premises.....	2,494,858 33
Mortgages on Real Estate sold by the Bank.....	1,446,862 05
Bank Premises at not more than cost, less amounts written off.....	14,633,745 54
Shares of and loans to controlled companies.....	3,547,608 08
Other Assets not included under the foregoing heads....	571,988 63

NOTE.—The above statement includes the assets and liabilities of The Canadian Bank of Commerce (California) a subsidiary of this Bank. \$665,233,291 24

S. H. LOGAN,
President.

A. E. ARSCOTT,
General Manager.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the above statement of assets and liabilities as at 31st October, 1938, and compared it with the books at the Head Office and with the certified returns from the branches. We have checked the cash and examined the securities and investments of the Bank at the chief office in Toronto and at certain of the principal branches as at the close of business on 31st October, 1938.

We have obtained all the information and explanations that we required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank, and we report that, in our opinion, the above statement discloses the true condition of the Bank and is as shown by the books of the Bank.

A. B. SHEPHERD, F.C.A.
of Peat, Marwick, Mitchell & Co.
D. McK. McCLELLAND, F.C.A.
of Price, Waterhouse & Co.

Auditors.

TORONTO, 16th November, 1938.

STATEMENTS OF CONTROLLED COMPANIES

As at 31st October, 1938

THE DOMINION REALTY COMPANY, LIMITED, TORONTO

ASSETS

Cash in The Canadian Bank of Commerce (including \$331,066.10 on deposit in the joint account of the Company and the Trustee for the Bondholders).....	\$ 416,813.83
Sinking Fund Deposit for Redemption of First Mortgage Bonds.....	2,327,593.97
Accounts and Rents Receivable, less reserve \$1,255.94.....	4,175.78
Mortgages and Agreements for Sale and Accrued Interest.....	71,211.63
FIXED ASSETS:	
Land, Buildings and Fixtures.....	24,525,403.55
PREPAID EXPENSES:	
Taxes, Insurance Premiums and Repairs.....	21,828.52
	<u>\$27,367,027.28</u>

LIABILITIES

Prepaid Rents.....	\$ 242.59
Reserve for Income Taxes.....	7,500.00
First Mortgage Bonds and Accrued Interest.....	11,169,447.06
Capital.....	7,978,000.00
Surplus and Reserves.....	* { 8,211,837.63
	<u>\$27,367,027.28</u>

*Carried in Bank's books at \$3,000,000.

ALLOWAY & CHAMPION, LIMITED, WINNIPEG

ASSETS

Cash on hand.....	\$ 187.72
Cash in The Canadian Bank of Commerce.....	7,996.50
Dominion of Canada Bonds and Accrued Interest (Market Value \$205,705.83).....	203,914.48
Memberships and Stocks, book value.....	1,205.00
Loans, Mortgages and Property Agreements.....	82,506.61
Real Estate and Tax Sale Certificates.....	206,691.84
Office Furniture.....	997.65
	<u>\$ 503,499.80</u>

LIABILITIES

Accounts Payable, Sundry.....	\$ 2,244.89
Capital.....	* { 500,000.00
Profit and Loss Account.....	1,254.91
	<u>\$503,499.80</u>

*Carried in Bank's books at \$500,000.

STATEMENTS OF CONTROLLED COMPANIES

Continued

COMPANIA DE INVERSIONES URBANAS, S.A., MEXICO CITY

ASSETS		Mexican Currency
Cash in bank.....	\$	31,689 30
Loans on Mortgages, etc., and Legal Attachments.....		398,561 82
		<u>\$430,251 12</u>
LIABILITIES		Mexican Currency
The Canadian Bank of Commerce.....	\$	160,253 20
Sundry Accounts Payable.....		24,089 43
Paid-up Capital.....	\$ 300,000 00)*	
Less Deficit.....	54,091 51)	245,908 49
		<u>\$ 430,251 12</u>

*Carried in Bank's books at \$1.00 Canadian Currency.

AUDITOR'S REPORT TO THE SHAREHOLDERS

We have examined the books and accounts of the above controlled companies for the eleven months ending 31st October, 1938, and report that, in our opinion, the above Balance Sheets as at 31st October, 1938, are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies, according to the best of our information and the explanations given to us and as shown by the books of the companies.

A. B. SHEPHERD, F.C.A.	}	Auditors.
of Peat, Marwick, Mitchell & Co.		
D. McK. McCLELLAND, F.C.A.		
of Price, Waterhouse & Co.		

TORONTO, 16th November, 1938.

THE CANADIAN BANK OF COMMERCE

REPORT OF PROCEEDINGS

OF

THE ANNUAL MEETING OF SHAREHOLDERS

TUESDAY, 13TH DECEMBER, 1938

The Seventy-second Annual Meeting of the shareholders of The Canadian Bank of Commerce was held at its banking house at Toronto, on Tuesday, 13th December, 1938, at 2.30 p.m.

Among those present were:

J. P. Bickell, J. L. Buchan, Colin Campbell, F. J. Colgan, G. R. Cottrelle, F. W. Cowan, F. J. Crawford, L. A. S. Dack, A. E. Ferrie, Sir Jos. Flavelle, Bart., LL.D., E. P. Gower, Col. Walter Gow, K.C., Miss Jeannette Edith Gripton, E. H. Gurney, W. Hastie, W. J. Hastie, W. D. Hay, William Hogg, R. J. Holmes, J. P. Kelly, J. A. C. Kemp, Mrs. Beatrice W. Kinnear, A. M. M. Kirkpatrick, Miller Lash, K.C., C. S. Macdonald, J. M. Macdonnell, S. C. McEvenue, Archibald McVicar, George A. Morrow, J. G. Parker, B.A., F.I.A., J. S. Porter, Jas. G. Ramsay, A. M. Robinson, John A. Rowland, K.C., R. A. Rumsey, T. A. Russell, LL.D., Wilfred Sanders, V. R. Smith, A. C. Snively, Sidney Sutherland, Arthur F. White, Rev. E. W. Wallace, M.A., D.D., J. F. Weston, The Rt. Hon. Sir Thomas White, G.C.M.G., all of Toronto; H. S. Ambrose, J. P. Bell, H. F. Crosthwaite, J. S. Stephens, L. F. Stephens, K.C., A. V. Young, all of Hamilton; Charles W. Colby, Ph.D., LL.D., W. W. Hutchison, John C. Newman, Hon. Donat Raymond, all of Montreal; H. J. Fuller, New York; Dr. Thos. E. Kaiser, Oshawa; George W. Allan, K.C., I. Pitblado, K.C., LL.D., Winnipeg; Dr. Frank Beemer, Vitoria; W. G. Morrow, Peterboro;

H. R. MacMillan, Vancouver; W. S. Davis, Oakville; G. C. Edwards, David Epstein, Ottawa.

The President, Mr. S. H. Logan, having taken the chair, Mr. F. C. Biggar was appointed to act as Secretary of the Meeting and Messrs. A. C. Snively and A. E. Ferrie as scrutineers.

The Chairman then called upon the Secretary to read the Directors' and Auditors' Reports.

DIRECTORS' REPORT

The Directors have pleasure in submitting to the Shareholders their Seventy-second Annual Report on the results of the Bank's operations, for the eleven months ending 31st October, 1938.

The figures of the Profit and Loss Statement are as follows:

Balance of Profit and Loss Account, brought forward from last year.....	\$ 739,325 73
Net Profit for the eleven months ending 31st October, 1938, after deducting Dominion and Provincial Government taxes (including tax on note circulation) of \$919,677.55 and after appropriations to Contingent Reserve Fund, out of which Fund full provision for bad and doubtful debts has been made.....	2,648,975 11
	<u>\$3,388,300 84</u>

From these profits the following appropriations have been made:

Dividends for eleven months, Nos. 204, 205, 206 and 207, at eight per cent. per annum	\$2,200,000 00
Transferred to Pension Fund.....	237,218 33
Written off Bank Premises.....	200,000 00
	<u>\$2,637,218 33</u>
Balance carried forward.....	751,082 51
	<u>\$3,388,300 84</u>

The Report is accompanied by a Statement, as at 31st October 1938, of the Assets and Liabilities of the Bank, and there are appended thereto separate Statements of the Assets and Liabilities of three companies which the Bank controls. To these Statements the Auditors, appointed by the Shareholders under Section 55 of the Bank Act, have attached their reports.

We record with deep regret the death during the year of three members of your Board, Mr. Thomas H. Wood, the Rt. Hon. Lord Shaughnessy, K.C., and Sir John Aird, all of whom have given long and faithful service as Directors.

Sir John's steady rise from the most junior position to that of General Manager, and finally to the Presidency of the Bank was due to the qualities of his character, his strong personality, his sound common sense, his courage and his quick decision, reinforced by a powerful physique and abounding health and vigour. Not to many men is it given to serve one institution continuously with such distinction for so long a period as sixty years. The knighthood conferred upon him by His Majesty King George V in 1917 was a well deserved recognition of the service rendered by the Bank to the Empire during the War while under his guidance as General Manager. It was not, however, as a banker alone that Sir John was distinguished, for in various ways, such as, the Chairmanship of the Royal Commission on Radio Broadcasting, he gave eminent public service, and he also played a prominent part in many philanthropic, social and religious organizations. His sudden death ends the career of a notable Canadian and your Directors will sadly miss the presence of this intimate friend and colleague at their counsels.

To fill the vacancies thus created your Directors elected Mr. George R. Cottrelle of Toronto, formerly Corporation Executive of the Bank, Mr. Alfred N. Mitchell of Toronto,

President of the Canada Life Assurance Company, and Mr. Allan E. Arscott, your General Manager.

In the past eleven months we have opened six branches, of which five are in mining areas giving promise of satisfactory development. During the same period we have closed thirteen branches at which the prospects of covering the costs of operation appeared too remote to warrant their continuance. The business of six of these branches was transferred to local competitors, in compensation for which the Bank received the business of these competitors at seven other points from which they withdrew. The business of the other branches which we closed was transferred to neighbouring offices of our own. The total number of branches in operation at the end of October was 571.

Following the regular practice every branch of the Bank has been audited and inspected during the year by competent officers specially trained for that task.

Your Directors wish to record their appreciation of the loyalty and zeal displayed by the officers of the Bank in the performance of their duties.

S. H. LOGAN,
President.

Toronto, 9th December, 1938.

The Chairman then asked the General Manager to address the Meeting.

Mr. A. E. Arscott spoke as follows:

GENERAL MANAGER'S ADDRESS

I have the honour to present the Seventy-second Annual Balance Sheet and shall deal first with the more important changes in the Statement.

ASSETS

Our total Assets are \$665,233,000 as compared with \$650,899,000 a year ago, an increase of \$14,334,000.

Quick Assets amount to \$409,038,000 or 66.63 per cent. of the Bank's total liabilities to the public. Included in the Quick Assets are notes of and deposits with the Bank of Canada and notes of, cheques on and deposits with other banks, aggregating \$117,058,000, being the equivalent of 19.07 per cent. of total liabilities to the public.

Dominion and Provincial securities maturing within two years stand at \$80,923,000, a reduction as compared with the previous year of \$8,207,000. We allowed some of our securities to run off without replacement in order to be in a position to meet the demand for loans required for handling the movement of wheat and other crops. We also considered it prudent to be in a strong liquid cash position in view of the unsettled European situation.

The balance of our portfolio is composed of other Dominion and Provincial securities totalling \$116,133,000, Canadian Municipal securities \$9,763,000, public securities other than Canadian, chiefly United States Treasury obligations, \$27,771,000 and other bonds, debentures and stocks \$25,000,000. As indicated in the statement, all securities appear at figures not exceeding market value.

Call loans in Canada at \$15,481,000 show a decrease of \$3,493,000 which reflects the liquidation which took place in the stock market attendant upon the European crisis in September. Call loans in the United States show an increase of \$2,417,000 due to a special transaction.

Current loans and discounts in Canada at \$163,508,000 show an increase of \$14,032,000 which, to a substantial extent, reflects loans made to assist in moving this year's larger wheat crop. The demand for loans for general business has not been as active owing to the recession in trade

during the first half of the year and the unsettling international conditions during the fall months.

Loans to Provincial Governments total \$8,349,000, showing a decrease of \$1,103,000. Loans to municipalities and school districts, \$22,765,000, show an increase of \$2,505,000 which is chiefly represented by increased advances to municipalities in the three Western provinces to cover the cost of relief and purchase of seed grain, these loans being secured by Government guarantees.

The remaining large item in the Assets is Bank Premises, \$14,633,000, a decrease of \$88,000. While we wrote \$200,000 off Bank Premises, new expenditures on this account during the year amounted to \$112,000.

LIABILITIES

Our own notes in circulation at \$18,093,000 show a decrease of \$3,585,000 which is accounted for by our using Bank of Canada notes to a greater extent. At date of the Statement our holdings of Bank of Canada notes showed an increase of \$2,176,000 as compared with the previous year. The limit for circulation of our own notes, under the terms of the Bank Act, automatically drops to \$24,000,000 on 1st January next.

Our total deposits, \$578,013,000, show an increase of \$17,338,000. Deposits by the public not bearing interest increased by \$18,993,000 and deposits bearing interest increased by \$9,873,000. These figures show a substantial growth in the general business of the Bank.

Deposits of the Dominion and Provincial Governments show a decline of \$12,447,000. This is largely accounted for by a decrease of approximately \$11,000,000 in the Dominion Government balance as compared with the previous statement. At that time the Federal Government's

account stood at a high figure because it included the proceeds of the 1937 refunding loan. The balance was substantially reduced in December by the redemption of the Dominion bonds which matured on the first of that month.

Profits for the eleven months' period total \$2,648,975 after providing for Dominion and Provincial Government taxes amounting to \$919,677 in the eleven months, as compared with taxes of \$902,938 for the previous twelve months' period. The balance at credit of Profit and Loss Account now carried forward is \$751,082.

PERSONAL LOAN DEPARTMENT

Before passing on to discuss general business conditions I should like to tell you of the operation of the Personal Loan Department which we inaugurated somewhat over two years ago. We started making this new type of loan in Toronto in June, 1936, and by the fall months of that year had its facilities available at all branches across Canada. This new service has been well received by the public as is shown by the rapid expansion of the Department. In a little over two years we have made more than 108,000 individual loans aggregating in excess of \$15,000,000. We are very gratified with the response to the efforts we have made to handle small personal loans. The record to date clearly indicates that we are providing a really valuable service for those who require credit on the Budget Saving Plan. 139

I should like to make it clear that our lending of small amounts is not confined to the Personal Loan Department which has been set up to deal with loans of a special character as a service supplementary to ordinary banking practice. Borrowers requiring small loans of the usual banking type obtain these as formerly direct from the branches. In the past eleven months, in addition to Personal Loans, there

were more than 106,000 borrowers who obtained regular banking accommodation from the branches in amounts of less than \$500, the aggregate sum so advanced being \$16,168,000.

There have been many criticisms levelled at the banks in the past on the grounds that they deny accommodation to the small borrower in order to be able to make loans to large corporations, wealthy firms and individuals but I think the figures I have given you demonstrate that there is no truth in this charge. I can assure you that we have the same policy with regard to all borrowers, large and small. It is that if they are credit-worthy we welcome their business and I know that this is the case with all banks in Canada.

THE BANKING SYSTEM

There is nothing mysterious about banking. Our chief function is to accept the deposits of the public and to use these moneys by making loans to assist in the development of agriculture, commerce and industry. In recent years the proportion which loans of this nature bear to deposits has tended downward and the banks have been forced to invest their surplus deposits in high grade securities. This is accounted for by contraction in world trade as well as lower prices for primary products and is not due to a deliberate policy on the part of the banks. It has been claimed with great frequency that banks do not lend as freely as they should but obviously, if the banks were to loan the depositors' funds without consideration of the prospects of repayment by the borrower, the resulting losses would cause depositors to lose confidence in the banking system and they would be unwilling to place or keep their money in the banks. Banks are able to give valuable service not only to the depositors, but to the borrowers of this country as well, solely because they have demonstrated that they deserve public confidence.

There are critics who endeavour to convey the impression that the banks are immensely rich in their own right, but this is not the case. The last Government Statement, which records the position of all the chartered banks as at the end of October, shows that their loans and holdings of securities amount to \$2,663,000,000, while the total of their shareholders' investment was less than 11 per cent. of that figure. It is evident, therefore, that most of the money which banks lend is not their own but comes from the sums entrusted to them by the depositors.

With regard to investment of moneys left on deposit in the making of loans and in the purchase of securities, we expect, of course, to make a profit. Profits are just as necessary in banking as in any other line of business, for operating expenses can only be met from earnings. We have a large pay-roll and among other general expenditures we have to provide for rents and the up-keep of our buildings, the substantial amount paid out each year representing interest on Savings Accounts, and a very heavy contribution in the way of taxes. In addition to offering a valuable service to the people of Canada the banks are giving employment to the thousands of members of their staffs who spend their income in, and are a real asset to, the community of which they are a part.

With reference to the very large amounts paid by the banks each year in taxes, some governing authorities appear to assume that banks can stand unlimited taxation, but it should be manifest that the ability of the banks to pay taxes is strictly limited if they are to render adequate banking service throughout the Dominion. They are in no different position in this respect from other taxpayers. Higher taxes can only be met by increased profits obtained by making heavier charges for the services which the banks render to the public or by curtailing those services through closing branches where earnings do not cover

costs. There is no magical fund on which the banks may draw to cover taxes or other operating expenses.

INDUSTRIAL ACTIVITY

We are able this year to present a better survey of industrial conditions than heretofore. While we have for many years been continuously in receipt of a wealth of information regarding industrial development, we have felt that a very desirable contribution would be the preparation of a measuring stick showing the activity in this field which has now become so broad and diversified as to place Canada in a high position among manufacturing nations. With the co-operation of many industrialists from coast to coast, whose operations are of varied character and extent, we have prepared an industrial production index which will, we believe, portray factory and mill activity more readily and accurately than has any indicator available heretofore in Canada. It is our intention to make this survey progressive and to show the results in our *Monthly Commercial Letter* with the hope that it may be of benefit to everyone interested in Canadian industrial progress.

The index shows that industrial production activity in November was about 9 per cent. less than a year ago, and that industrial plants were as a whole operating at about 76 per cent. of capacity. This may rightly be considered as a satisfactory record in view of the difficulties encountered by industry the world over during the past year or more.

GENERAL BUSINESS

The year now drawing to a close has been a difficult one. At its commencement business was still suffering from the recession which began in the United States in the early months of 1937 as a result of too great and rapid an expansion in the latter part of 1936 and the first quarter of 1937.

Gradual readjustment occurred until about mid-year when business activity showed signs of again advancing and the outlook was much improved. Following this encouraging turn we were, as you all know, plunged into a period of grave anxiety due to the international political situation which brought the major European countries to the brink of armed conflict. While diplomatic negotiations were in progress no one could foretell the outcome, business was, of course, profoundly affected, raw material markets much disturbed, security markets greatly depressed, Government bonds declining sharply and foreign currencies under heavy pressure against the dollar. It will readily be appreciated how seriously these disturbances handicapped trade and industry during those trying days in September. However, when the crisis passed the movement toward recovery was resumed.

We have an interesting year ahead of us. We are all looking forward to the visit of King George VI. and Queen Elizabeth and we are highly gratified that they have arranged to make a tour across the Dominion. This will afford Their Majesties an opportunity to see the great development which has taken place and is continuing in this country.

We have also the new trade agreements which will become operative on 1st January and which will have a very important bearing on our economic situation. So far as I personally can judge and interpret the views of others, I have come to the conclusion that the agreements will do much to rehabilitate the agricultural industry in this country, which plays so vital a part in the structure of our economy.

I have no illusions as to the difficulties in the way of business which still have to be overcome but the revival in the United States appears to be making considerable

headway. This has always had an important bearing on the trend of business in Canada and with the widening of trade channels I look for a substantial increase in our exports. Our prosperity is greatest when we enjoy extensive exchange of goods with other countries and provided the forward movement now in progress does not increase its momentum at too fast a pace or further international complications occur, I look to see a continued healthy advance.

STAFF

I think you will agree that the statement of the Bank's position presented to-day is a gratifying one having regard to the many unfavourable conditions of the past year. It is due to the efforts of all the members of the staff that we were able to show the satisfactory results achieved. I should like, therefore, to take this opportunity to express my appreciation of the whole-hearted assistance which has been given to me and to convey to all members of the staff my sincere thanks for their loyal support.

Mr. S. H. Logan then addressed the Meeting.

PRESIDENT'S ADDRESS

At the time of our last Annual Meeting signs of economic unsettlement were clearly visible. Anxiety as to trade prospects was general and we were apprehensive of the consequences of threatening international developments upon Canada, interwoven as her interests are with those of the world at large. We were especially concerned as to the effects here of the severe dislocation of American business, Canada being always keenly sensitive to conditions in the United States through the intimate commercial and financial relations of the two countries.

We experienced, however, a comparatively moderate and short recession in general business activity during the past

year, a decline of 15 per cent. extending only from November 1937 to the spring of 1938. A period of relative stability then ensued, followed by a slight recovery.

GREATER ECONOMIC STRENGTH

We should, therefore, consider ourselves most fortunate in having suffered so little from the serious external disturbances of the past year, and fortunate, too, in having already regained some of the ground lost in that period. It would be a most superficial view, of course, to regard this resistance to unfavourable factors abroad and the ability subsequently to resume progress as due merely to fortuitous circumstances. A remarkable transformation of Canadian economy has given this country greater strength than ever before to withstand depressing influences and has added materially to its recuperative powers.

Within the last decade Canada has shifted from a predominantly agricultural economy to one based on a combination of agriculture, mining and manufacturing.

Agriculture, of course, still directly supports our largest single occupational group, as our farmers and their dependents constitute about one-third of the total population of the Dominion. But as no extensive land settlement has taken place for many years the productive agricultural area has not been appreciably enlarged. Moreover, the self-sufficiency programmes of several major nations, the high barriers erected by many countries against the importation of foodstuffs and the long series of droughts suffered between 1929 and 1938 by the Prairie grain growers have so depressed Canadian agriculture that it no longer maintains unchallenged supremacy.

While we should by no means regard agriculture as at all eclipsed in importance, we have to recognize the fact that

new types of economic enterprise have come into being in recent years and that Canadian economy as a whole has shifted to a more highly industrialized plane.

There have been many material advantages in this notable change in the character of Canadian business, but one, which cannot be measured in terms of dollars and cents, is of such consequence as to deserve special emphasis. In recent years the world has been subjected to rigid economic regulations, private enterprise has been penalized by heavy and increasing taxation, private capital has been fearful of moving freely into investment channels, international trade has been shackled by restrictive devices and huge expenditures have been devoted to national armaments. Because of these handicaps the world has lost, at least temporarily, much of its pre-war flexibility and constructive enterprise. Canada, on the other hand, has been able to broaden and diversify her productive facilities, and thus to open for her people new sources of income and avenues of employment in peaceful pursuits.

WIDESPREAD BENEFITS OF MINING

Mining has led the way in the transformation of Canadian economy. In the last decade the production of our mines had an aggregate value of \$2,900,000,000, an amount not far short of the present net direct debt of the Dominion Government. I have estimated that in that period the mining industry disbursed over \$1,000,000,000 in wages and salaries and about the same amount in the purchase of materials and for services of various kinds. These purchases were remarkably well distributed, the expenditures being about equal for chemicals (including explosives), iron and steel products, hydro-electric power, machinery and coal and oil. Smaller, though quite substantial, sums were spent for lumber, agricultural products, insurance and miscellaneous requirements. The largest disbursement,

however, apart from that for labour, was to transportation companies. In fact, mining has, by providing about one-third of the total freight traffic, afforded important relief to the nation's serious railway situation. || 9

Furthermore, mining has helped greatly to enlarge the field of industry, in which there are now about 25,000 individual plants. In 1928 non-ferrous metal smelting and refining, rated as to the value of production, was in tenth place among Canadian industries, but it is now well in the lead with a gross annual value of output exceeding \$200,000,000. Of this sum two-thirds is devoted to the purchase of materials, mainly of Canadian origin, required for processing. We can be proud of the development of metallurgical plants associated with our non-ferrous metal mines, through which Canada is now the world's fourth largest source of refined copper and of pig lead. She is second in importance in the reduction of zinc ore of domestic origin, while a good proportion of nickel, of which this country produces about 85 per cent. of the world's supply, is refined before it is exported. Partly as a result of metal mining expansion we have, as well, nearly twice as many units manufacturing electrical apparatus and copper and brass products as we had ten years ago.

There is also a fairly close relationship between mining and the chemical industry, for most chemicals are derived from minerals, and some of our major mining concerns have chemical by-product plants. It is, therefore, one of the most gratifying features of this mineral-industrial association that the manufacture of chemicals in Canada rose recently to an all-time peak, with a yearly value of over \$100,000,000.

Before the next year is out we shall see an important link between mining and another important industry. I refer to the preparations now under way to mine iron ore

for the steel plant at Sault Ste Marie. This important project will be a further step in the development of the domestic iron and steel industry, which, it is interesting to note, has already ten more plants in operation than in 1928, while an increased variety in its products has obviated the need of certain importations.

FORESTRY REHABILITATION

There are numerous other industries, such as the automotive trades, which have made great strides and merit high praise, since their growth has contributed materially to the diversification of Canada's production. But as the forest industry is one of the most important in our national economy I shall comment on it in more detail. This industry, though at present depressed by special disabilities, has one of the most impressive records of the past decade and is to-day in the most efficient condition in its history. In 1932 our lumber cut had fallen to less than one-third of normal. Within a few years, however, it rose to about the pre-depression level through the enterprising and successful efforts of exporters to find new markets to replace that lost through the imposition of prohibitive American tariffs. The new trade treaty between Canada and the United States will, I am happy to say, provide for easier access of our lumber to the United States at a time when building activity there will be of large proportions. You are well aware, of course, of the great productive activity of the newsprint industry between 1933 and 1937. In another section of forestry—the manufacture of wood pulp—there was also a progressive turn, owing largely to the phenomenal development of the world rayon and staple fibre industries for production both of artificial silk and of textile mixtures of rayon, cotton, real silk and wool. The remarkable growth of the use of these products is illustrated by the fact that world manufacture of rayon yarn doubled between

1932 and 1937. This expansion, resulting in an increased demand for Canadian wood pulp, has been interrupted both by the war activities of Japan, whose facilities for the production of rayon are the greatest in the world, and by the general economic recession. The interruption is, I firmly hope, only a temporary condition.

SUMMARY OF ECONOMIC TRANSFORMATION

I should like to summarize the results of this large-scale reorganization of Canadian economy. Mining accounts for about 12 per cent. of the net value of national production, as compared with about half this proportion in the pre-depression period. Manufacturing, including metallurgical operations, contributes over 40 per cent., in comparison with about one-third prior to 1929. The relative status of forestry has not changed markedly, a fact which in itself is cause for satisfaction, having regard to the serious difficulties encountered by this industry. Whereas agriculture ten years ago accounted on the average for over one-third of the net value of production, its proportion fell to about 20 per cent. in 1937. Even in a year of normal crop production and of fair prices probably not more than one-quarter can in future be expected from this source, for the expansion of non-agricultural industries is of a permanent character.

In this transformation of our business structure we have not only taken up the slack caused by the short crops of several former years, but have also broadened and diversified Dominion production so that it now provides a much wider range of commodities for our own use and for export. As I have given in recent years an account of the remarkable improvement in exports arising chiefly from the development of new markets for an increasing output of various products, I shall on this occasion merely outline briefly the

changes in our foreign trade for the twelve months ending in October.

FOREIGN TRADE

Our exports were again over the billion dollar mark. Including coined gold, total exports amounted to \$1,020,000,000 as compared with \$1,162,000,000 in 1937, a decline of 12 per cent. This is a very creditable record in view of the coincidence of a short supply of wheat in 1937 with depressed conditions in our main foreign market, the United States. Shipments of grain were just half those of the preceding twelve months, while our trade with the United States declined by \$145,000,000. Our export trade with other countries was well maintained. Trade with the United Kingdom was practically equal to that in the previous year, increases in base metals and gold largely offsetting the decline in farm products. Exports to the other important sections of the Empire showed fairly substantial gains. Exports to foreign countries other than the United States showed a small increase of about \$3,000,000. As the average price of exported commodities fell nearly 8 per cent., the volume of trade actually declined by less than 5 per cent.

Total imports, including gold to the value of about \$27,000,000, amounted to \$730,000,000, a decline of \$65,000,000 or 8 per cent. below last year. Nearly two-thirds of our requirements came from the United States. The value of imports from that country and the United Kingdom fell about equally, by less than \$20,000,000 each. The quantum decline in imports was very small, being under 3 per cent.

The favourable balance of trade, though reduced by over 20 per cent., remained at the high figure of \$290,000,000, this amount exceeding by a wide margin the sum required to meet the fixed debt charges on Canadian securities abroad.

ECONOMIC WEAKNESSES

I wish it were possible to say that reconstruction of the national economy had proceeded as far in other directions as it has in mining, manufacturing, forestry and export trade. But the problems surrounding the railways, the construction industry and public finance persist. These ills will not, I fear, receive remedial treatment until it is impossible any longer to gloss over the weakening effects they are having on every other form of activity, collective and individual. General recognition and public disapproval of the failure to cope with the fundamental difficulties in these departments of Canadian economy are necessary to hasten their solution.

Real estate owners are justly complaining of the excessive burden pressing upon them, for they have had to provide over one-third of all taxes collected in Canada, which aggregate more than \$700,000,000 per annum. In some cases property owners have even been called on for as much as 90 per cent. of the municipal levies. Real estate, indeed, has had to bear increasing taxation for purposes which were never visualized when it was selected as a major source of revenue. Moreover, the base of this type of taxation has been prevented from expanding in any degree proportionate to the growing costs of official administration. For example, private building has been so subnormal in volume for years past that there is now an estimated deficiency of at least 200,000 dwelling units in the number required for good housing accommodation. It is clear, therefore, that unfair taxation in this form has depressed construction and employment in the building trades and that, until some measure of relief to the real estate taxpayer is devised, we cannot expect a major resumption of building.

Since no single government has been responsible for imposing all the inequitable and excessive taxes which are

now drained from the public, no one legislative body can remove these handicaps to our progress.

MONETARY FALLACIES

I think that most people now recognize that easier money will not cure our existing problems. Certainly, substantial reductions in the interest rate on bank loans have not brought about any marked increase in borrowings. Action in other directions is obviously required and monetary experimentation directed to further cheapening the cost of short-term money holds, therefore, no hope of removing the remaining handicaps to complete recovery.

As a matter of fact, in the total costs of any enterprise interest on bank borrowings plays a minor part. Only when other factors have prevented the success of a project may the payment of interest prove burdensome.

The widespread repercussions of the depression have increased the risks which business enterprise is unable to foresee, and, therefore, more ventures than usual have failed of success. This accounts for the birth of the theory that it is the cost of borrowed money which is crippling business activity and that a lender should forego his interest if the enterprise he has assisted proves unprofitable.

In other words, these theorists propose that a lender, though he can exercise no control over the methods or policies followed in a borrower's operations, should nevertheless be the latter's full partner in so far as losses are concerned. If, however, the borrower's venture is successful the lender does not share the profit but must be satisfied with the bare interest on his loan. I think you will agree that few lenders will accept so one-sided a proposal.

CONSTRUCTIVE ACTION

The commercial treaties recently arranged between the United States, Great Britain and Canada reflect a high

concept of international duty in the minds of the various statesmen concerned. The combined foreign trade of these three nations amounts to about one-third of that of the whole world. Their representatives did not allow the difficulty of readjustments, always present in tariff revisions, to deter them. Instead, they wisely sought to afford their people better opportunities for economic advancement and to strengthen the bonds of democracy at one of the most critical stages of its history. Might we not with the same high motives and unity of purpose take our internal problems firmly in hand and so find ways of applying to our entire national economy the constructive forces which have been at work in mining, forestry, manufacturing and export trade?

PROMISING BUSINESS CONDITIONS

As regards the current business situation, the recent progress in manufacturing has cancelled about half of the recession in the latter part of 1937 and the early months of this year. The forest industries, however, may face difficult conditions during the winter, when the new wood cut will likely be the smallest in several years. But the enterprise in this group is still as strong as that which overcame the conditions of the 1929-33 period, and succeeded in limiting the decline in the lumber cut in British Columbia to only 15½ per cent. and the fall in newsprint production to 24 per cent. during the past trying year. There is now a healthier undertone in these industries. Mining activity is greater than ever before, more metal properties are in operation and more people are engaged in this industry than in the previous year. It is estimated that over 100,000 persons are now employed in mining and that their annual earnings aggregate fully \$125,000,000. The production value of the industry for the current year (about \$450,000,000) may, because of lower base metal prices, be fractionally less than the record

established in 1937, but that of gold, now at an annual rate of over \$160,000,000, has reached a new peak.

Farm purchasing power, though no greater than a year ago, mainly because of low prices for agricultural products and an unusually large proportion of unmerchantable grain, is now much better distributed as a result of the largest crop yields since 1932. The grain out-turn alone in the Prairie Provinces is 650,000,000 bushels as compared with 370,000,000 in 1937.

The deep-sea fisheries have been slightly more profitable than in the previous year, a rise in the landed value on the Pacific Coast more than offsetting a decline in the Eastern area.

From this summary of current conditions it will be apparent that many of the essentials for further economic recovery are now present in Canada.

I am confident, therefore, that if peace between the major powers can be preserved and we can continue to expand our export trade on reasonably satisfactory terms we shall experience substantially improved business conditions during the coming year.

The Chairman then moved the adoption of the Report, seconded by The Right Hon. Sir Thomas White, G.C.M.G.

Carried.

APPOINTMENT OF PROXY FOR CONTROLLED COMPANIES

It was moved by Mr. Miller Lash, K.C., seconded by Mr. George R. Cottrelle:

"That Mr. A. E. Arscott or, failing him, Mr. F. C. Biggar, be appointed to act as proxy for the Bank at any and all meetings of each and every corporation controlled by the Bank.

"That failing Mr. A. E. Arscott and Mr. F. C. Biggar, each of the officers mentioned below be appointed to act as proxy for the Bank at any and all meetings of the controlled corporation, the name of which appears opposite his own hereunder:

E. E. Henderson—Alloway & Champion Limited,
Winnipeg.

M. Zermeno—Compania de Inversiones Urbanas,
S.A., Mexico City.

A. C. Steven—The Canadian Bank of Commerce
(California) San Francisco."

Carried.

VOTE OF THANKS TO STAFF

Mr. Isaac Pitblado, K.C., LL.D., then said:

It is my pleasant duty this afternoon to move the next resolution, which is one of appreciation and thanks to the Staff of the Bank for their services during the past year. In thinking over this subject, I said to myself, first of all: What do we mean by the Staff? And I looked up the dictionary definition of "staff" and I found that primarily it means "a long stick carried in the hands for support". That gave me a vision of strong, sturdy sticks in the hands of the President and officers of this Bank, supporting them in their efforts. We are very glad to see here today a good many of those long, sturdy sticks.

But besides that primary definition, there was a second meaning "a body of assistants serving to carry out the plans of a Superintendent or Manager". We must get away from the thought of the staff as being something impersonal, or as being a collective body, and visualize a loyal band in this Bank, of nearly five thousand individual men and women scattered in out of the way places as well as in the large centres throughout Canada; in important cities of

the United States, and over in London, the heart of the Empire, who on every business day are at their posts of duty, doing their best to uphold the hands and to carry into effect the plans of the General Manager and his executive officers and who are also striving as best they can to be of real service to the community in which they happen to live.

The members of the Staff are the representatives of the Bank throughout the length and breadth of the land. In fact, to the public, the members of the staff who meet them are the Bank. An efficient, able, courteous, public spirited staff is one of the greatest assets which an institution can have; and in that respect this Bank has been and is very fortunate. These are difficult times in which we live—we have heard about them today from our General Manager and our President—very difficult times for banks and for officers and employees of banks. Our local managers and the members of our staffs are close to the financial troubles of the individuals living in their respective communities; and those troubles are many and various. We are proud to say that the members of our Staff have proved themselves to be the friends and wise counsellors of the hosts of people with whom they come in contact. I believe this is appreciated by very many.

I was interested in reading, in the October number of that excellent staff magazine of the Bank, "The Caduceus," an article by Mr. George Kingsley Reed, of Roughland Farm, Songis, Ontario, which was entitled "My Tribute to a Banker". Mr. Reed tells us of his early interviews with an unnamed bank manager. He said that looking back through buffeting storms, his mind recalls a motto over the desk of the bank manager, "Banking is a serious business, but we do find time to be pleasant". And then he went on, "What a friendly chap that manager was, how interestingly he talked about my new adventure. How freely he gave me his counsel. I dare not disclose his name. He would

not like it. . . My banker took a kindly interest in what I was trying to do. He usually took a minute to ask a few questions, which were not unfrequently difficult to answer truthfully, but I answered them. More than once he shook his head or raised his hand as if to arrest impending disaster. A few years later we two were seated in the same office discussing business assets as collateral for bank loans. He smiled. Well he might. He was twice my age. Misplaced faith, broken promises, human frailty, liars and men who presumed on kindly natures had whitened his hair. Yet, as his motto on the wall declared, he had time to be pleasant". And Mr. Reed wound up his article as follows: "The friendly counsel of my banker in those early days has been of inestimable value to me. Time and again have I applied his logic to my farm business with very gratifying results. I do not know where he is. Many a time when gratitude stirs within me I would like to unload some of the good things grown on our farm at his door as a token of appreciation for what he refused to do for me, for his investigating finger and for his kindly nature". Surely that is a great tribute to an unnamed bank manager. And you will note that this gentleman was grateful for what the banker refused to do for him!

But, besides those officers of the Bank who meet the public, we have on the staff a host of people, men and women, who never appear in the public eye. They work faithfully and conscientiously behind the scenes. Their's not to reason why, their's but to do day by day the apparently humdrum duties which fall to their lot.

Many years ago I was much impressed by a letter which I received from my now deceased father, in which he said: "The older I grow, the more convinced I am that success in life comes from doing to the best of one's ability day by day the duty which lies nearest to one's hand".

THE CANADIAN BANK OF COMMERCE

We have in this Bank a great army of men and women, some in high and some in humble positions, doing day by day to the best of their ability, the duty which lies nearest to their hands. Hence the success of The Canadian Bank of Commerce.

May I, therefore, on behalf of the shareholders of this Bank, express our appreciation for the loyal assistance of the Staff. I have great pleasure in moving: That the thanks of this meeting be tendered to the General Manager, the Assistant General Managers, and the other officers and members of the Staff for the loyal and efficient discharge of their duties during the past year.

In seconding the motion Mr. William Hastie said:

I am very happy to be allowed to be associated with this motion, because it has been or was my privilege for many years to be a member of this institution. I can therefore speak with some authority when I say that this is a well merited tribute to a fine body of men and women.

In the course of my banking experience, I heard a prominent Canadian, who was at one time Prime Minister, say that a Bank which could muster and train a staff, such as this Bank has, well merited the support and confidence of the public of Canada. I know that what he said then holds true today, that the staff and the management of The Canadian Bank of Commerce, is of the highest standard; and that in the final analysis of a bank's position and its balance sheet, it is the management and staff which count.

I therefore have much pleasure in seconding the motion so ably moved by Mr. Pitblado.

Carried.

Mr. T. B. Weatherbee:

I know that it would be the wish of the Staff that I should convey, on their behalf, their deep sorrow at the

death of Sir John Aird, and to extend our sympathy to his family and to the Board.

The resolution that has just been passed will not be regarded by the Staff as a perfunctory expression of thanks, but rather as evidence of real appreciation of their efforts, and as reflecting a genuine interest in their welfare. I know that you can depend upon their loyalty, and I know that this loyalty will be called upon in the difficult days which are before us in this rapidly changing business world.

If it were possible for me to consult all the members of the Staff, I know it would be the general wish that I should express their congratulations to our General Manager, Mr. Arscott, upon his recent election to the Board. They will see in this an evidence of appreciation of capacity and fine leadership, which has had their admiration.

I thank Mr. Pitblado and Mr. Hastie for their remarks. It is a coincidence that I have been called upon to reply to their resolution in that I had an early association with both these gentlemen. While a boy, Mr. Pitblado gave me my first golf lessons in Banff where we were both on holiday. And, as an inspector of The Canadian Bank of Commerce, Mr. Hastie gave me my first training in how to make reasonably safe loans.

The Staff are deeply appreciative of this resolution, and I thank you on their behalf.

VOTE OF THANKS TO THE BOARD AND THEIR RENOMINATION

It was then moved by Mr. John A. Rowland, K.C.:

That the thanks of the shareholders be tendered to the officers and members of the Board of Directors for the careful attention which they have given to the interests of the Bank, and that each of the persons now constituting the

Board be nominated as a Director of the Bank for the ensuing year.

Before speaking to the resolution, I would like to associate myself, and in this I am sure I am joined by all the shareholders who are present, with the expression of regret at the loss of an old friend, in the person of the late Sir John Aird, and also of the other members of the Board who have died during the past year.

I am told that on a former occasion a very good friend of mine, in presenting a similar resolution, dealt in some detail with the personal characteristics, saintly and otherwise, of the members of the Board. Thanks to a happy combination of oratorical ability of a high order, a kindly wit and a fertile and ingenious imagination, he got away with it, the motion being adopted without a dissenting voice.

For reasons upon which I am not going to dwell at the moment, I hesitate to venture on a course that offers so many dangerous possibilities. I rely entirely on the broad, general, humanitarian principle that even the Directors of a bank are entitled to hear a few kind words about themselves, at least once a year. And this seems to be the appropriate occasion.

There comes to my mind the words of St. Paul, "Faith," he said, "is the substance of things hoped for, the evidence of things not seen. For by it the elders obtained a good report." As I read these figures today, I came to the conclusion that there is lurking somewhere about here, although it is not visible at the moment, an ample measure of the substance of things hoped for, and the report of the elders speaks for itself. Under the circumstances, I think, our duty is fairly obvious.

One remark which fell from the lips of Mr. Arscott, during the course of his very brief, but highly interesting

address, was that there is nothing mysterious about banking. I accept Mr. Arscott's statement, although the inference which I am compelled to draw from it is not very flattering to myself. For a great many years I have lived in a state of doubtful expectation, wondering if the time would ever come when I would hear an address from a Bank Manager or a Bank President which I thought I could understand. It is quite obvious now where the difficulty lies. It reminds me of a little incident that occurred in my office a few years ago. I had a partner and a client, both of whom were very good golfers, and one day they were having a chat about their favourite game. My client, who was of a philosophical turn of mind, said to my partner: "Why is it that in driving sometimes the ball curves in a certain direction, and at others it curves in the opposite direction?" My partner proceeded to explain that if you committed a certain fault a slice would result; and that from a certain other fault, a hook would result. The client replied: "Yes, I know that, but why does the ball act in different ways on the two occasions?" My partner, in great detail and with more elaboration, explained again, that if you stood in a certain way and did a certain thing in the swing, you would get a slice, and if you did something else you would get a hook. Again the client replied, "I can understand that perfectly, but what makes the ball act as it does?" My partner with all the patience so characteristic of the Irish race, from which he was descended, looked for fully a minute in a pitying sort of way at my client, and then said, in a tone of utter resignation: "Well I can explain it to you, but damnit, man, I can't give you the brains to understand it." That is the way I always feel when I enter a bank.

Nevertheless, making due allowance for my own limitations, I think I may say that we have every reason to be encouraged by what we have heard this afternoon, and we

extend our sincere congratulations to the members of the Board and to the management for the splendid record of the past year, and on the great work which this old and honourable institution is doing in our country.

I have great pleasure in moving the resolution which I have just read.

In seconding the motion, Mr. E. Holt Gurney said:

Over a period of years, the Board of this Bank has shown itself incurably addicted to one habit—that of having a great man and a philosopher as Chairman of the Board.

I learned that Sir Thomas was a philosopher in the early days of 1918, when he was Minister of Finance for Canada. England was having trouble expressing its ability to pay on this side of the water, and so Sir Thomas was having difficulty in finding money as fast as Sir Joesph Flavelle could spend it. I met him one night in the Rideau Club at Ottawa, and said: "These must be anxious days for you, sir!" He replied with this story. "Two farmers came into the City of Toronto, where they never had been before, and stood at the corner of King and Yonge Streets, watching the tremendous traffic going north and south and east and west, and one of them said to the other: 'Bill, I am going to stand here, for there is going to be the greatest accident in the history of man shortly.' They stood there for hours, but there was no accident. In fact, there wasn't even any paint scratched off."

Pray, Sir Thomas, tell that story to the Board, if my account ever finds its way upstairs.

This Board is responsible for the discharge of two duties of first-class importance, which are to me incompatible. In the first place, they must see that complicated services, including loans, are rendered to thousands of customers of the Bank from the Yukon to Yarmouth, and elsewhere,

and at the same time they are also responsible for the fact that, at the end of the year, there will be quite a lot of the Bank left. During the period of nine exceedingly difficult years, the record of their performance is before us. The services have been rendered, the shareholders have had a fair return, and there is just a little bit more of the Bank left than there was at the beginning of these years.

I have missed something at this bank meeting. One used to come down here and hear from the President of the Bank just exactly what was to happen in the year to come; but I think the Ouija boards must be up in the lumber room, for prophecy has been abjured. I am going to rush in where Bank Presidents fear to tread, and with the clear conviction that I am right. Given substantially this Board, these officers, plus this Chairman—then three, five, seven years from now such a speech as I am now endeavouring to make (better phrased, I hope: it cannot be more sincere) will again be appropriate. I have pleasure in seconding the *motion*.

The vote of thanks to the Directors was carried by the Meeting and the Chairman replied in suitable terms to the tribute paid to the Board.

APPOINTMENT OF AUDITORS

It was moved by Mr. T. A. Russell, LL.D., seconded by Mr. George A. Morrow:

"That Mr. A. B. Shepherd, F.C.A., of Peat, Marwick, Mitchell & Company, and Mr. D. McK. McClelland, F.C.A., of Price, Waterhouse & Company, be appointed to audit the affairs of this Bank until the next Annual General Meeting and that their remuneration shall not exceed the sum of \$25,000."

Carried.

The Chairman then directed:

That the ballot box be opened for voting and that the Meeting stand adjourned pending receipt of the report from the scrutineers.

The Meeting then adjourned.

The Meeting reconvened as directed and received the report of the scrutineers. The Chairman then declared the following to have been elected as the Directors for the ensuing year: George W. Allan, K.C., H. S. Ambrose, A. E. Arscott, J. P. Bickell, Charles W. Colby, Ph.D., LL.D., George R. Cottrelle, F. W. Cowan, H. C. Cox, G. C. Edwards, Gordon Farrell, H. J. Fuller, Colonel Walter Gow, K.C., W. W. Hutchison, F. P. Jones, A. M. M. Kirkpatrick, Miller Lash, K.C., S. H. Logan, H. R. MacMillan, J. S. McLean, A. N. Mitchell, George A. Morrow, John C. Newman, W. E. Phin, I. Pitblado, K.C., LL.D., Hon. Donat Raymond, James A. Richardson, LL.D., W. P. Riley, T. A. Russell, LL.D., John Stuart, Arthur F. White, The Rt. Hon. Sir Thomas White, G.C.M.G., E. R. Wood, LL.D., A. V. Young.

The Chairman also reported that Messrs. Shepherd and McClelland had been appointed as Auditors by the shareholders.

The Meeting then adjourned.

At a succeeding Meeting of the new Board the following officers were elected: The Right Hon. Sir Thomas White, G.C.M.G., as Chairman of the Board; Mr. S. H. Logan, as President; Mr. Miller Lash, K.C., Mr. A. F. White and Mr. E. R. Wood, LL.D., as Vice-Presidents.

HEAD OFFICE DEPARTMENTS

INSPECTION DEPARTMENT

Inspectors acting as Deputies for Assistant General Managers

F. H. BROWN	R. D. LITTLE	I. A. McPHAIL
	N. J. MCKINNON	

Inspectors

F. R. CURRIE	J. C. MUNRO	A. F. TURNER
A. F. GARLAND	H. D. MACKENZIE	G. L. WAUGH
D. G. KENNEDY	F. D. PATTERSON	F. M. WYATT

Assistant Inspectors

M. L. BISSON	W. J. FLANNERY	W. E. G. NICHOLS
W. M. BLACKSTOCK	T. D. GALLAGHER	J. C. SCOTT
A. B. COLERICK	J. H. C. HUGHES	J. B. SMITH
A. J. CRAIG	R. B. MACKAY	F. A. STUART
H. CRAIG	A. N. MCKINLEY	H. M. TURNER
V. CURRAN	J. W. McMARTIN	M. C. VEALE
G. H. DIXON	J. A. MOORHEAD	N. B. WEIR

Audit Officers

W. E. BLUM	G. A. HALEY	J. A. McLELLAND
D. CAMERON	J. E. HOLMES	H. W. MESSER
A. H. CARMICHAEL	R. H. IRELAND	M. A. MUNRO
J. S. FOSTER	J. A. KIDD	P. H. NESBITT
	G. A. RICHARDS	

BANK PREMISES DEPARTMENT

Supervisor

J. NICOLL

Assistant Supervisor

A. D. GOLDEN

SECRETARY'S DEPARTMENT

Assistant Secretaries

R. C. BLUNDELL	C. M. SHORT	E. W. L. MITCHELL
	G. G. E. AYLESWORTH	

BUDGET DEPARTMENT

Supervisor . . . W. A. ANDERSON

CHIEF ACCOUNTANT'S DEPARTMENT

<i>Chief Accountant</i>	R. W. PARKHILL
<i>Assistant Chief Accountants</i>	{ C. E. KNOWLTON
	{ J. H. LOVETT

PERSONAL LOAN DEPARTMENTS

CALGARY	J. W. ROBERTSON (<i>Manager</i>)
HALIFAX	B. A. MOSSEY (<i>Manager</i>)
MONTREAL	C. J. MOREAU (<i>Manager</i>)
TORONTO	W. M. LANGSTON (<i>Manager</i>)
	A. F. CLARK (<i>Assistant</i>)
VANCOUVER	C. G. LEWIS (<i>Manager</i>)
WINNIPEG	G. J. O'RORKE (<i>Manager</i>)

DISTRIBUTION OF BRANCHES OF THE BANK

AS AT 31st OCTOBER, 1938

British Columbia	64
Alberta	42
Saskatchewan	56
Manitoba	37
Ontario	256
Quebec	68
New Brunswick.	7
Nova Scotia	19
Prince Edward Island	6
Outside Canada	13
The Yukon and North West Territories	3
Total Number of Branches	<u>571</u>

BRANCHES

BRITISH COLUMBIA

BRANCH	MANAGER
ALERT BAY	C. D. FYFE
ARMSTRONG	R. M. ECCLESTONE
CAMPBELL RIVER	H. NELSON
CHEMAINUS	G. C. SAUNDERS
CHILLIWACK	F. A. MATHESON
COURTENAY	H. B. MAUNSELL
CRANBROOK	G. C. WILTON
CRESTON	R. J. FORBES
DAWSON CREEK	H. J. HARRISON
DUNCAN	R. S. ROSS
FERNIE	J. M. CROOKSTON
GRAND FORKS	H. SUTHERLAND
GREENWOOD	A. W. PARKER
KAMLOOPS	J. M. BAIRD
KELOWNA	W. M. FRASER
KEREMEOS	A. E. HARDY
LADNER	A. M. WEBB
LADYSMITH	D. M. MACDONALD
LILLOOET	W. H. HAMILTON
MISSION CITY	J. MUIR
NAKUSP	W. B. ALLAN
NANAIMO	J. H. EAKIN
NELSON	J. R. McLENNAN
NEW WESTMINSTER	W. SMITH
NORTH VANCOUVER, 92 Lonsdale	M. E. SOWDEN
OCEAN FALLS	A. NORTH
OLIVER	J. D. SMITH
PARKSVILLE	J. M. KENT
PENTICTON	C. G. BENNETT
POUCE COUPE (Sub Branch)	H. J. HARRISON
POWELL RIVER	J. K. SIMPSON
PRINCE RUPERT	R. G. HOPKINS
PRINCETON	G. M. M. HARMAN
REVELSTOKE	F. E. DURRANT
SALMON ARM	W. R. DAVIES
TRAIL	G. G. RENNISON
VANCOUVER	{ M. W. MORTON
	{ B. J. MELLISH, Asst.
BROADWAY & MCKENZIE	S. S. PETRIE
COLLINGWOOD EAST	H. M. ALLAN
COMMERCIAL DRIVE	E. L. KENNY
DUNBAR STREET	S. H. EWING
EAST	J. ERSKINE
FAIRVIEW	W. H. JAMES
FRASER ST. & 46TH	A. B. LAIRD
HASTINGS & RICHARDS	G. V. PEARCE
KINGSWAY & KNIGHT RD.	H. T. NEWMARCH
KITSILANO	W. F. GRANGER

BRANCH	MANAGER
VANCOUVER—Continued	
MOUNT PLEASANT	E. R. C. WILCOX
POWELL STREET	T. WINSBY
ROBSON DISTRICT	E. G. SANFORD
TENTH & SASAMAT	C. R. MYERS
VICTORIA ROAD	H. W. MORDEN
VICTORY SQUARE	C. R. DEY
VANCOUVER HEIGHTS	G. BROWN
VANDERHOOF	J. B. FEENEY
VERNON	G. WHITEHEAD
VICTORIA	J. W. RUGGLES
DOUGLAS & BAY	J. C. NEWMARCH
DOUGLAS & CORMORANT	A. B. MORKILL
OAK BAY AVE.	T. W. L. MUTCH
WILLIAMS LAKE	G. H. A. FOX
ZEBALLOS	D. M. SINCLAIR, In Chge.

SUB-AGENCIES

COPPER MOUNTAIN (Thursday)	PRINCETON
HEDLEY (Tuesday)	PRINCETON

YUKON AND N.W.T.

DAWSON (YUKON)	F. N. GISBORNE
WHITE HORSE (YUKON)	W. A. PATERSON
YELLOW KNIFE (N.W.T.)	D. T. MUNROE

ALBERTA

BEAVER LODGE	S. H. ANDREWS
BERWYN	S. C. ELLIOT
CALGARY	{ A. C. TURNER
	{ J. R. CROMARTY, Asst.
EIGHTH AVE. WEST	J. H. McDOWELL
FIRST ST. WEST	A. W. PENTLAND
CHAMPION	H. T. LAMONT
CLARESHOLM	A. LAURIE
COLEMAN	W. L. RIPPON
CROSSFIELD	C. H. McMILLAN
DRUMHELLER	A. V. MCLEAN
EDMONTON	J. WALKER
JASPER AVENUE EAST	C. H. BAKER
GLEICHEN	J. BLACK
HANNA	P. S. CRAIB
HARDISTY	A. BALL
HIGH RIVER	H. WRIGHT
INNISFREE	W. H. ACTON

BRANCH	MANAGER
KITSCOTY	H. G. T. MANN
LAMONT	J. E. HARKINS
LETHBRIDGE	F. L. RHODES
NORTH END (Sub Branch)	do
MACLEOD	L. CUTHBERT
MEDICINE HAT	G. J. McRAE
MUNDARE	J. R. McLEOD
NANTON	T. C. FLOYD
PEACE RIVER	A. G. BAKER
PONOKA	J. C. MATHESON
PROVOST	C. JOHNSON
RED DEER	M. L. GORDON
ROCKYFORD	T. L. HALPIN
ST. PAUL	A. M. WATT
SMOKY LAKE	W. A. MacKENZIE
SOUTH EDMONTON	A. H. TEMPLETON
STAVELY	A. W. GILL
STONY PLAIN	F. W. YEATS
TABER	F. P. BOYCE
VERMILION	C. L. WHITBY
VULCAN	G. KYLE
WARNER	C. W. E. THOMPSON
WASKATENAU	W. C. PATTERSON
WILLINGDON	T. R. WATSON

SUB-AGENCIES

MANNVILLE (Tues. and Fri.)	VERMILION
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SASKATCHEWAN

ABERDEEN	J. R. RICHES
ADMIRAL	D. H. SNEDDON
BIGGAR	F. L. WATTERS
BIRCH HILLS	J. F. BERRY
BLAINE LAKE	D. S. DUNN
BRODERICK	A. D. GILLAN
CANORA	R. H. MULLEN
CENTRAL BUTTE	A. M. SCRIMGEOUR
CUDWORTH	E. H. OLVER
EDAM	T. L. PREST
ELFROS	J. D. COLLIER
ESTEVAN	G. H. WINSTANLEY
ESTON	C. T. McKINNON
HAWARDEN	R. BUCKLEY
HUMBOLDT	C. W. BOSSONS
KELVINGTON	A. H. WELTIN
KINCAID	J. F. GILL
KINDERSLEY	H. D. AITKEN
LACADENA	D. A. BULL

BRANCH	MANAGER
LAJORD.	J. S. McNABB
LASHBURN	E. P. CHARLES
LEADER	F. G. MATKIN
LLOYDMINSTER.	W. ROWLAND
LUCKY LAKE.	D. MUNRO
MAIDSTONE	J. H. WRIGHT
MELFORT	L. M. PERKINS
MEOTA	J. C. MacDonald
MILESTONE	R. GEDDES
MOOSE JAW	A. H. WATSON
NAICAM.	H. C. JONES
NOKOMIS	G. A. BEATTY
NORQUAY	J. McINNES
NORTH BATTLEFORD.	D. P. PYKE
PRINCE ALBERT.	C. S. SMITH
RADISSON	W. COTTINGHAM
RADVILLE	L. V. RAY
REDVERS	H. OAG
REGINA.	{ W. LENNIE
1860 SCARTH STREET	{ C. C. RIACH, Asst.
RICHARD	W. G. HOIG
RIVERHURST	A. D. CRYDERMAN
ROULEAU	A. P. MORRIS
ST. WALBURG	J. W. PAUL
SASKATOON	M. D. SMITH
SHAUNAVON	{ C. H. NILES
SWIFT CURRENT	{ T. O. SEWELL, Asst.
TRUAX	T. STOTHERS
TURTLEFORD	C. G. DOWSLEY
TUXFORD	W. L. MINSHULL
VONDA	O. STONE
WADENA	R. E. WOODWARD
WATSON	E. A. MORRISON
WEYBURN	H. J. McLEOD
WILLOW BUNCH.	J. W. OLIVER
WISETON	W. J. GRAY
YORKTON	E. J. NICHOLSON
	R. J. PRENTICE
	S. H. CURRAN

MANITOBA

BRANCH	MANAGER
ALTONA	J. P. DUGUID
ARBORG	S. B. HAYES
ASHERN.	O. B. MCGIFFIN
BRANDON	W. W. ORR
CARMAN	A. S. BOWES
DAUPHIN	A. H. MARCON
ELGIN	L. W. NEWSOM
ELKHORN	S. DUNBAR
FLIN FLON	A. T. HEYLAND
GILBERT PLAINS	H. I. F. HOBBS
HAMIOTA	G. B. KEY
KENTON	S. J. HEGGIE
KILLARNEY	J. C. WRIGHT
MIAMI	C. R. BOYER
NEEPAWA	J. AULD
PORTAGE LA PRAIRIE	W. H. R. SAVAGE
SHERRIDON	L. W. H. POLLOCK
STONEWALL	J. E. HOOD
TRANSCONA	J. M. MCGOWN
TREHERNE	C. E. D. KENNEDY
VIRDEN.	J. A. CAW
WINKLER	W. S. EDGAR
WINNIPEG	{ A. MILLIGAN
	{ W. D. DICKINSON, Asst.
BLAKE & LOGAN	A. R. GRAHAM
ELMWOOD	H. H. LOWE
KELVIN STREET.	F. I. ATKINS
MAIN & ALEXANDER	J. D. ANDRAS
NORTH	H. L. ALLINGHAM
NORWOOD	H. K. BAIRD
PORTAGE & DONALD	{ J. T. BEATTIE
	{ H. C. WALCOT, Asst.
PORTAGE & GARRY	P. H. HAMON
PRINCESS & WILLIAM	G. B. DALTON
RIVER & OSBORNE	S. G. HILEY
SELKIRK & MCGREGOR.	F. F. TRIBE
STAFFORD & GROSVENOR	T. MOORE

SUB-AGENCIES

ELM CREEK (Tuesdays and Fridays) . . .	CARMAN
GRANDVIEW (Monday, Wednesday and Friday) . . .	GILBERT PLAINS

BRANCH	MANAGER
ONTARIO	
AILS CRAIG	W. W. LOVE
ATWOOD	G. M. PHEMISTER
AUBURN (Tuesday, Thursday and Saturday)	W. H. SHEPPARD
AURORA	S. McNAIRN
AYR	A. M. RICE
BADEN (Sub Branch)	C. K. SMITH
BARRIE	C. C. PARSONS
BEAMSVILLE	A. M. CARTHEW
BEAVERTON	G. S. NUNNS
BELLEVILLE	C. L. JEWELL
BINBROOK	L. T. FOSTER
BLenheim	G. H. MEYERS
BLOOMFIELD	J. S. MONTGOMERY
BLYTH	V. M. BRAY
BOWMANVILLE	R. L. MITCHELL
BRADFORD	J. L. RUTHERFORD
BRANTFORD	H. I. MILLAR
BRECHIN	J. S. DOYLE
BRIGHTON	O. A. SHARPE
BROCKVILLE	H. W. LAPP
BROOKLIN	C. S. THOMPSON
BRUSSELS	G. E. NORTHWOOD
BURLINGTON	C. I. McKELLAR
CALEDONIA	C. O. MONROE
CAMPBELLFORD	A. G. THOMPSON
CANNINGTON	W. C. LIVINGSTONE
CAYUGA	A. D. HENDERSON
CHATHAM	A. E. STRINGER
CHESLEY	T. W. HENRY
CLAREMONT	A. L. HOOEY
COBALT	L. V. COFFEY
COBOCONK	R. E. NEVISON
COBOURG	W. A. JOHNSON
COLBORNE	S. SUTTON
COLLINGWOOD	W. A. HAY
CONISTON (Sub Branch)	J. P. TAILLON
CORNWALL	H. R. McHoull
CREDITON	M. W. TELFER
DELHI	J. P. DOUGHERTY
DESERONTO	J. SMITH
DRESDEN	R. H. SAYERS
DUBLIN	A. SUTHERLAND
DUNDALK	M. E. HARRINGTON
DUNDAS	J. M. WILLIAMSON
DUNNVILLE	A. J. McKAY
DURHAM	G. C. WEBSTER
EXETER	J. R. C. MOFFATT
FLESHERTON	R. B. HEARD
FOREST	R. S. FLEMING
FORT ERIE, (Niagara Boulevard)	A. BAIRD

BRANCH	MANAGER
FORT ERIE NORTH	R. G. GILLIES
FORT FRANCES	C. W. COCHLAN
FORT WILLIAM	R. J. WARD
GALT	J. H. TAYLOR
GEORGETOWN	G. W. MCINTOCK
GODERICH	F. J. LITTLE
GRIMSBY	A. R. LAND
GUELPH	R. P. FINDLAY
HAGERSVILLE	D. L. WEESE
HAMILTON	{ T. P. MACKENZIE
DELTA (KING & MAIN)	{ A. J. WHALEN, Asst.
JAMES & BARTON	H. W. RODGERS
JAMES & YOUNG	R. D. GLASSCO
KING & SANFORD	P. S. BODDY
KING & WELLINGTON	G. V. IRWIN
LOCKE & HERKIMER	J. P. JAMES
MAIN & KENILWORTH	C. F. GIBSON
OTTAWA & CAMPBELL AVE	F. F. WILLISHER
QUEEN & YORK	W. L. SCHAFER
SHERMAN & BARTON	R. S. WILSON
WESTDALE	A. J. SLOANE
HILLSDALE	C. THORBURN
ILDERTON	W. J. HOLMES
INNERKIP (Monday, Wednesday, Friday)	E. S. MCGRATH
JARVIS	W. PORTER
KESWICK	J. A. FLEMING
KILLALOE	N. R. SHORTREED
KING CITY (Sub Branch)	R. ANDERSON
KINGSTON	H. BRYAN
PRINCESS & BAGOT	E. C. HODGINS
KIRKLAND LAKE	J. K. FRASER
KITCHENER	W. A. CURRIE
LANSING	J. L. THOMPSON
LEASIDE	A. G. McDOUGALL
LINDSAY	D. C. SIZE
LISTOWEL	R. HARPUR
LITTLE BRITAIN	L. A. FINNEY
LONDON	J. B. MCGIBBON
HAMILTON ROAD	G. SMITH
MADOC	W. G. CAMPBELL
MAPLE	L. A. McDOUGALL
MARKHAM	H. BRYAN
MIDLAND	H. J. FUKÉ
MILTON	P. BARR
MILVERTON	R. E. MCANDLESS
MINDEN	H. M. PORTEOUS
MITCHELL	T. W. BRIGNALL
MOUNT DENNIS	N. G. SCHAFER
NEWCASTLE	J. G. WHYTE
NEW HAMBURG	C. T. BATTY
NEW TORONTO	C. K. SMITH
	H. G. BARNUM

BRANCH	MANAGER
NIAGARA FALLS	E. J. BEGER
NIAGARA FALLS CENTRE	M. G. ENGLAND
NIAGARA FALLS SOUTH	E. E. EWING
NORTH BAY	J. McMILLAN
OAKVILLE	J. R. RODGER
ORANGEVILLE	O. F. ANDERSON
ORILLIA	F. W. WILSON
ORONO	A. A. DRUMMOND
OSHAWA	C. D. LYONS
OTTAWA	{ A. G. MOEDY
BANK STREET	{ J. SHAW, Asst.
RIDEAU STREET	C. H. HAWKE
OWEN SOUND	F. KERR
PALMERSTON	N. S. McFADYEN
PARIS	L. RENWICK
PARKHILL	H. W. COOKE
PARRY SOUND	W. A. JACKSON
PETERBORO	J. H. DENT
PICKERING	D. B. FALKNER
PICTON	W. V. REDDITT
PLATTSVILLE (Tuesday, Thursday, Saturday)	J. K. PATTERSON
PORT ARTHUR	G. A. PHILLIPSON
PORT COLBORNE	D. FITZGERALD
PORT CREDIT	W. H. PAGET
PORT DALHOUSIE (Sub Branch)	A. G. McDERMOTT
PORT ELGIN	S. H. FALKNER
PORT PERRY	G. N. M. DINWOODIE
PORT ROWAN	E. HAYES
PORT STANLEY	G. D. DURWARD
RAINY RIVER	G. DAWSON
RICHMOND HILL	F. GALLIKER
ST. CATHARINES	F. HOOVER
PAGE & QUEENSTON (Sub Branch)	S. H. FALKNER
ST. CLEMENTS (Sub Branch)	S. H. FALKNER
ST. THOMAS	E. L. JORDAN
SARNIA	L. FOSTER
SAULT STE. MARIE	O. K. LAWSON
WEST END	H. E. GEDDES
SCHUMACHER	N. G. INGRAM
SEAFORTH	C. S. BUTLER
SELKIRK	J. G. MILLS
SHEDDEN	P. S. CROFT
SIMCOE	J. R. STEVENSON
SMITH'S FALLS	H. L. SELBY
SOMBRA (Tuesday, Thursday and Saturday)	B. J. McLEAN
SOUTHAMPTON	J. D. FLANN
STEVENSVILLE	A. L. SMITH
STOUFFVILLE	R. W. A. FERGUSON
STRAFFORDVILLE	E. M. STILL
STRATFORD	J. GALBRAITH
STRATHROY	H. S. HARRISON
	A. W. CRAWFORTH

BRANCH	MANAGER
SUDBURY	J. P. TAILLON
SUNDERLAND	J. C. REYNOLDS
TAMWORTH	F. W. FROST
TAVISTOCK	V. E. APPEL
THEDFORD	W. A. WADDELL
THORNHILL	J. G. SPENCE
THOROLD	R. J. COWAN
TILLSONBURG	R. C. BROWN
TIMMINS	A. H. MUNROE
	CRAWFORD GORDON
	M. C. HART, Asst.
TORONTO	A. D. LEITCH, Asst.
	W. A. FINLAY, Asst.
	E. H. MITCHELL, Asst.
ADELAIDE & PETER	J. R. HOWARD
ADELAIDE & YONGE	B. S. DEACON
AVENUE ROAD & DUPONT	J. F. GILLESPIE
AVENUE ROAD & EGLINTON	T. J. KERN
BATHURST & DUNDAS (Sub Branch)	F. S. KENT
BAY ST. TEMPLE BLDG.	R. H. SHORT
BAY & WELLINGTON	W. J. NOBLETT
BIRCH CLIFF	J. M. MCILROY
BLOOR & DUFFERIN	H. B. WILLIAMS
BLOOR & LIPPINCOTT	L. ASHFORTH
BLOOR & OSSINGTON	R. C. SMYTH
BLOOR & RUNNYMEDE	G. M. WEDD
BLOOR & YONGE	D. CLARKSON
324 BROADVIEW AVE.	B. BUNTING
CHURCH & DUNDAS	R. R. WHITE
CITY HALL (Corner Bay & Richmond)	J. A. FORSTER
COLLEGE & CLINTON	F. A. RODGERS
COLLEGE & DOVERCOURT	W. J. BELL
DANFORTH & BROADVIEW	S. G. DAVIS
DANFORTH & COXWELL	R. J. WATSON
DANFORTH & WOODBINE	R. S. WILLIAMS
DOVERCOURT & VAN HORNE	F. M. MATHIAS
DUNDAS & GLADSTONE	J. C. SMYTHE
DUNDAS & QUEBEC	L. J. KIFT
EARLSCOURT (Corner St. Clair & Dufferin)	W. A. LEWIS
GERRARD & PAPE	C. INGLIS
JANE & ANNETTE	W. D. LAWSON
KING & DUFFERIN	W. J. DILLON
LANSDOWNE & WALLACE	W. F. RONALD
MARKET (Corner King & Jarvis)	R. GRIEVE
	C. V. E. B. SHORT, Asst.
McCAUL & ELM	T. E. BRETT
MOUNT PLEASANT & MANOR ROAD	H. L. SADLEIR
OAKWOOD & VAUGHAN	E. M. DAVIDSON
PARKDALE	J. C. HUTCHISON
PARLIAMENT & CARLTON	E. M. PAYNTEF
QUEEN & BATHURST	F. S. KENT
QUEEN EAST	J. V. GUNN

BRANCH	MANAGER
TORONTO—Continued	
QUEEN & RUSHBROOKE	J. K. MACKENZIE
QUEEN & SPADINA	J. POGUE
QUEEN & UNIVERSITY	R. B. GIBSON
RONCESVALLES & WRIGHT	D. C. GREAVES
ST. CLAIR & ARLINGTON	A. J. WEBSTER
ST. CLAIR & YONGE	H. C. CAMPBELL
SPADINA & COLLEGE	T. B. ACHESON
WEST TORONTO (2896 Dundas St. W.)	E. A. HOLMES
WYCHWOOD (Corner St. Clair & Vaughan)	E. W. FIDLER
YONGE & BROOKDALE	A. G. S. McELWAIN
YONGE & CHARLES	G. S. BOWERBANK
YONGE & COLLEGE	R. C. AMES
YONGE & GOULD	W. T. I. GERALD
YONGE & MANOR	R. D. KENLY
YONGE & QUEEN	H. B. ADAMS
TRENTON	R. H. HUNTER
UNIONVILLE	G. G. MAYNARD
UXBRIDGE	A. L. VEALE
WALKERTON	L. G. CROZIER
WALKERVILLE	E. C. GRUNDY
WATERLOO	E. H. SIPPEL
WESTON	F. E. JEFFREY
WEST HILL	J. E. JONES
WHITBY	C. A. BRYANS
WIARTON	I. J. WEINERT
WINDSOR	{ F. G. STANLEY
	{ H. V. CARLING, Asst.
DROUILLARD ROAD	C. E. BECKETT
LONDON STREET	G. L. HAZELL
OTTAWA & GLADSTONE	J. R. HIGGINS
WYANDOTTE ST. EAST	A. M. SMITH
WINGHAM	L. R. BLACKWOOD
WOODSTOCK	S. R. WALLACE
WOODVILLE	L. E. FAED
WROXETER (Tuesday, Thursday and Saturday)	W. A. SAWTELL

SUB AGENCIES

ALTON (Thursday)	ORANGEVILLE
ANCASTER (Monday, Wednesday and Friday)	DUNDAS
ARKONA (Monday, Wednesday and Friday)	FOREST
BRIGHT (Monday, Wednesday and Friday)	PLATTSVILLE
CAMLACHIE (Tuesday and Thursday)	FOREST
COURTRIGHT (Monday, Wednesday and Friday)	SOMBRA
DUNGANNON (Monday, Wednesday and Friday)	AUBURN
EMO (Wednesday)	FORT FRANCES
FORDWICH (Monday, Wednesday and Friday)	WROXETER
GRAFTON (Tuesday, Thursday and Saturday)	COLBORNE
HICKSON (Tuesday, Thursday and Saturday)	INNERKIP

BRANCH

MANAGER

SUB AGENCIES—Continued

KEARNS	KIRKLAND LAKE
(Tuesday and Friday, also 9th and 24th as well when those dates do not fall on a Tuesday or a Friday)	
LEFROY (Tuesday and Friday)	BARRIE
MONKTON (Open Daily)	ATWOOD
MOUNT HOPE (Tuesday, Thursday and Saturday)	BINBROOK
PEFFERLAW (Tuesday and Friday).	BEAVERTON
If either day a holiday, open next legal business day.	
PORT BURWELL (Monday, Wednesday and Friday)	STRAFFORDVILLE
PRINCETON (Monday, Wednesday and Friday)	PARIS
SEBRINGVILLE (Monday, Wednesday and Friday)	STRATFORD
SHAKESPEARE (Tuesday, Thursday and Saturday)	STRATFORD
VICTORIA HARBOUR (Open daily)	MIDLAND
WELLESLEY (Monday, Wednesday and Friday)	NEW HAMBURG
WINDSOR—	
AMBASSADOR BRIDGE (Open daily)	LONDON ST., WINDSOR

QUEBEC

AMOS	J. U. R. BAIL
ASBESTOS	V. CHARRON
AYER'S CLIFF	E. S. BEERWORTH
BEAUHARNOIS	S. H. GEBBIE
BEDFORD	E. A. CHADSEY
BEEBE	H. J. STUBBS
BOURLAMAQUE	E. J. McDONALD
CADILLAC	M. COWIN
CHAMBLY	G. S. BEDARD
COATICOOK	A. T. ROY
COWANSVILLE	F. L. NUNNS
DANVILLE	I. C. WATSON
DRUMMONDVILLE	S. MACLOUGHLIN
DUPARQUET	J. SAXELBY
EAST ANGUS	A. D. DRYSDALE
FARNHAM	C. S. POWERS
GRANBY	H. S. LAWRENCE
HEMMINGFORD	J. K. GOODFELLOW
HOWICK	N. F. MANNING
HUNTINGDON	F. J. MONTLE
LACOLLE	C. E. PAQUET
LENNOXVILLE	T. P. DELANY
MAGOG	A. H. RUSSELL
MALARTIC	R. A. GAGNON
MANSONVILLE	G. D. HARVEY

BRANCH	MANAGER
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CRESCENT & ST. CATHERINE	G. G. AIKMAN
MAISONNEUVE	L. P. BOURGOING
PARK AVE. & MILTON ST	V. A. SMALE
PHILLIPS SQUARE	J. SOMERVILLE
ST. CATHERINE & CITY HALL	H. R. BIRON
ST. CATHERINE & METCALFE	J. P. WATSON
ST. HENRI	H. E. TEMPLE
NORANDA	T. L. GOLDEN
ORMSTOWN	R. C. JARVIS
OUTREMONT	A. L. BRIEN
PERRON (Sub Branch to Val d'Or)	H. J. McRAE
QUEBEC	R. M. WATSON
UPPER TOWN	P. R. HAMEL
RICHMOND	K. G. NOURSE
ROCK ISLAND	C. B. NARRAWAY
ROUYN	E. P. GREGOIRE
ST. CHRYSOSTOME	O. H. BROUILLETTE
ST. FERDINAND D'HALIFAX	J. E. ROBSON
ST. HYACINTHE	H. A. L'ABBE
ST. JOHNS	J. I. McCABE
SCOTSTOWN	H. A. SCARTH
SHAWINIGAN FALLS	J. LEMAY
SHERBROOKE	C. E. SOLES
UPPERTOWN	G. A. SIROIS
WELLINGTON ST.	J. G. ROY
SISCOE (Sub Branch)	H. J. McRAE
SUTTON	W. B. BRADSHAW
THETFORD MINES	A. L. DESSERT
THETFORD MINES, WEST	U. A. VAUDRY
TROIS RIVIÈRES	J. L. ROUSSEAU
VAL D'OR	H. J. McRAE
WATERLOO	F. L. PEARSON
WESTMOUNT	G. C. BORIGHT
WINDSOR	G. D. DALLAIRE

SUB AGENCIES

BISHOPTON (Daily)	EAST ANGUS
CLARENCEVILLE (Daily)	ST. JOHNS
COMPTON (Wednesday and Friday)	COATICOOK
DUNHAM (Tuesday, Thursday and Saturday)	BEDFORD
EASTMAN (Friday)	MAGOG
FRELIGHSBURG (Monday, Wednesday and Friday)	BEDFORD
NORTH HATLEY (Daily)	AYER'S CLIFF
STE. AGNES DE DUNDEE	HUNTINGDON
(Closed for winter months commencing 30th November, and will resume business one day a week (Tuesday) from May 2nd, 1939)	
WATERVILLE (Monday, Wednesday and Friday)	LENNOXVILLE

MARITIME PROVINCES

BRANCH	MANAGER
ALBERTON, P.E.I.	V. L. CURRY
AMHERST, N.S.	W. G. BEDFORD
ANTIGONISH, N.S.	D. R. MORRISON
BARRINGTON, N.S.	C. D. DOANE
BASS RIVER, N.S.	W. ANDERSON
BRIDGEWATER, N.S.	W. D. MORTON
CAMPBELLTON, N.B.	G. S. MCKNIGHT
CHARLOTTETOWN, P.E.I.	H. A. C. SCARTH
DEVON, N.B. (Sub Branch)	D. M. KYDD
FREDERICTON, N.B.	D. M. KYDD
GLACE BAY, N.S.	A. M. HOOD
HALIFAX, N.S.	G. A. TAYLOR
KINGSTON, N.S.	J. D. BISHOP
LUNENBURG, N.S.	M. C. WEST
MIDDLETON, N.S.	B. M. LOVE
MONCTON, N.B.	C. J. LOUGHLIN
MONTAGUE, P.E.I.	A. G. PARKS
MURRAY RIVER, P.E.I.	F. C. BENNETT
NEW GLASGOW, N.S.	E. W. SPURR
PARRSBORO, N.S.	E. B. TRUEMAN
SAINT JOHN, N.B.	A. G. SHATFORD
SHELBURNE, N.S.	W. M. MELLISH
SOURIS, P.E.I.	W. T. PARKER
SPRINGHILL, N.S.	J. H. ROBERTSON
STANLEY, N.B.	A. G. HARRINGTON
SUMMERSIDE, P.E.I.	R. S. P. JARDINF
SYDNEY, N.S.	A. A. LOVE
TRURO, N.S.	D. A. SANDILANDS
WINDSOR, N.S.	J. R. HARRISON
YARMOUTH, N.S.	R. H. LECK

SUB AGENCIES

HANTSPORT, N.S. (Monday, Wednesday and Friday)	WINDSOR
SALISBURY, N.B. (Daily)	MONCTON

NEWFOUNDLAND

BELLEORAM	H. M. SMITH, In Chge.
ST. JOHN'S.	A. H. WATERMAN

ST. PIERRE ET MIQUELON

ST. PIERRE	J. R. PILON
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UNITED STATES

BRANCH	MANAGER
NEW YORK, N.Y.	{ C. J. STEPHENSON N. J. H. HODGSON } Agts.
Exchange Place and Hanover Street	R. G. MILLER, Asst. Agt.
PORTLAND, OREGON	HEDLEY HILL
SEATTLE, WASH.	E. V. ILLSEY

The Canadian Bank of Commerce (California)

SAN FRANCISCO, CALIFORNIA.	{ A. C. STEVEN, President F. C. MACDONALD, Vice-President
344 Pine Street	
LOS ANGELES, CALIFORNIA	{ H. H. MCKEE, Vice-President
649 South Spring Street	E. MORGAN, Asst. Vice-Pres.

BARBADOS

BRIDGETOWN	C. L. MILES
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CUBA

HAVANA, Aguilar y Obrapia	{ W. T. ALEXANDER J. TAYLOR, Asst.
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JAMAICA

KINGSTON	{ F. V. LUMB A. M. MACLENNAN, Asst.
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TRINIDAD

PORT OF SPAIN	F. WALTON
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GREAT BRITAIN

LONDON, Lombard Street, E.C., 3	{ R. B. BUCKERFIELD R. H. MCDADE, Asst.
G.P.O. Box 408	

BANKERS AND CHIEF CORRESPONDENTS

GREAT BRITAIN—

Bank of England; Bank of Scotland; Barclays Bank Ltd.; Commercial Bank of Scotland Ltd.; District Bank, Ltd.; Lloyds Bank Limited; Martins Bank Ltd.; Midland Bank Ltd.; National Bank of Scotland, Ltd.; National Provincial Bank Ltd.; Westminster Bank Ltd.

IRELAND—

Bank of Ireland; Belfast Banking Company Ltd.; Northern Bank Ltd.

BELGIUM—

Banque d'Anvers; Banque de la Société Générale de Belgique.

Continued

CZECHO-SLOVAKIA—

Anglo-Czechoslovak and Prague Credit Bank; Zivnostenska Banka.

DANZIG—

Dresdner Bank.

DENMARK—

Den Danske Landmandsbank; Kjobenhavns Handelsbank, A. S.

FINLAND—

Aktiebolaget; Nordiska Foreningsbanken; Finlands Bank; Kansallis-Osake-Pankki.

FRANCE—

Banque de Paris et des Pays-Bas; Barclays Bank (France), Ltd.; Comptoir National d'Escompte de Paris; Crédit Lyonnais; Lloyds and National Provincial Foreign Bank, Ltd.; Société Générale; Westminster Foreign Bank, Ltd.

GERMANY—

Commerz-und Privat-Bank Aktiengesellschaft; Deutsche Bank; Dresdner Bank. Oesterreichische Creditanstalt-Wiener Bankverein.

GREECE—

Banque Nationale de Grèce.

HOLLAND—

Amsterdamsche Bank, N.V.; De Twentsche Bank, N.V.; Nederlandsche Handel-Maatschappij, N.V.; Rotterdamsche Bankvereniging, N.V.

HUNGARY—

Ungarische Filiale der Oesterreichischen Creditanstalt-Wiener Bankverein.

ITALY—

Banca Commerciale Italiana; Banco di Roma; Credito Italiano.

JUGOSLAVIA—

Prva Hrvatska Stedionica.

NORWAY—

Bergens Privatbank.

POLAND—

General Banking Corporation of Poland.

SPAIN—

Anglo-South American Bank, Ltd.; Banco Hispano Americano.

SWEDEN—

Skandinaviska Banken A/B; Aktiebolaget Goteborgs Bank; Aktiebolaget Goteborgs Handelsbank; Aktiebolaget Svenska Handelsbanken; Aktiebolaget Skanska Banken.

SWITZERLAND—

Banque Fédérale, S.A.; Crédit Suisse; Swiss Bank Corporation; Union Bank of Switzerland.

TURKEY—

Ottoman Bank.

AFRICA—

Bank of British West Africa, Ltd.; Barclays Bank (Dominion, Colonial and Overseas); Compagnie Algérienne, S.A.; Standard Bank of South Africa, Ltd.

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ASIA—

Banque de l'Indo Chine; Chartered Bank of India, Australia and China; Hongkong & Shanghai Banking Corporation; Imperial Bank of India; Lloyds Bank Limited; National Bank of India, Ltd.; Nederlandsch-Indische Handelsbank; Ottoman Bank; Yokohama Specie Bank, Ltd.

SOUTH AMERICA—

Banco Commercial do Estado de Sao Paulo; Bank of London and South America, Ltd.

AUSTRALIA AND NEW ZEALAND—

Bank of Australasia; Bank of New South Wales; Bank of New Zealand; Commercial Bank of Australia, Ltd.; Commercial Banking Company of Sydney, Ltd.; Commonwealth Bank of Australia; English, Scottish & Australian Bank, Ltd.; National Bank of Australasia, Ltd.; National Bank of New Zealand, Ltd.; Union Bank of Australia, Ltd.

HONOLULU—

Bishop National Bank of Hawaii at Honolulu.

UNITED STATES—

NEW YORK—Bankers Trust Co.; Bank of the Manhattan Company; Central Hanover Bank & Trust Company; Chase National Bank of the City of New York; Chemical Bank & Trust Co.; Corn Exchange Bank Trust Company; Guaranty Trust Co. of New York; Irving Trust Co.; Manufacturers Trust Co.; J. P. Morgan & Co.; National City Bank of New York; New York Trust Co.

CHICAGO—Continental Illinois National Bank & Trust Co. of Chicago; First National Bank of Chicago; Northern Trust Co.

ALBANY—State Bank of Albany.

BALTIMORE—First National Bank of Baltimore.

BOSTON—First National Bank of Boston; National Shawmut Bank of Boston; Second National Bank.

BUFFALO—Liberty Bank of Buffalo; Manufacturers & Traders Trust Co.; Marine Trust Co. of Buffalo.

CINCINNATI—Central Trust Co.

CLEVELAND—Cleveland Trust Co.; National City Bank of Cleveland.

COLUMBUS—Huntington National Bank of Columbus.

DENVER—Denver National Bank.

DETROIT—Manufacturers National Bank of Detroit; National Bank of Detroit.

DULUTH—Northern National Bank.

INDIANAPOLIS—Indiana National Bank.

JERSEY CITY—Hudson County National Bank.

KANSAS CITY—Commerce Trust Co.

MILWAUKEE—First Wisconsin National Bank.

MINNEAPOLIS—First National Bank & Trust Company; Midland National Bank & Trust Co.; Northwestern National Bank & Trust Company of Minneapolis.

MOBILE—Merchants National Bank of Mobile.

NEWARK, N.J.—Fidelity Union Trust Company.

NEW ORLEANS—National Bank of Commerce in New Orleans.

NIAGARA FALLS, N.Y.—Power City Trust Co.

PHILADELPHIA—Corn Exchange National Bank & Trust Co.. Philadelphia National Bank.

PITTSBURGH—First National Bank at Pittsburgh; Mellon National Bank.

PROVIDENCE, R.I.—Industrial Trust Company.

ROCHESTER, N.Y.—Central Trust Co.; Lincoln-Alliance Bank & Trust Company.

ST. LOUIS—First National Bank in St. Louis.

ST. PAUL—First National Bank of St. Paul.

SALT LAKE CITY—First National Bank of Salt Lake City.

SPOKANE—Spokane & Eastern Branch, Seattle First National Bank.

